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II-A-139



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

March 22, 2000

OFFICE OF
ENFORCEMENT AND
COMPLIANCE ASSURANCE

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Randell M. Trembly, Executive Vice
President of Refining
Crown Central Petroleum Corporation
P.O. Box 1759
Houston, Texas 77251-1759

Re: File No. AED/MSEB - 5057
NOTICE OF VIOLATION OF THE CLEAN AIR ACT

Dear Mr. Trembly:

On July 19, 1999, Crown Central Petroleum Corporation ("Crown") informed the U.S. Environmental Protection Agency ("EPA") that, in violation of section 211(k) of the Clean Air Act ("Act"), 42 U.S.C. § 7545(k), and the regulations issued thereunder (40 C.F.R. part 80, subpart D, Crown's Pasadena, Texas refinery distributed for use in a RFG covered area one batch of reformulated gasoline that had a benzene content of 1.42 volume percent.

Where inappropriate fuels are used in internal combustion engines the emissions of harmful gases can increase significantly. Notwithstanding improvements in vehicle emission controls, emissions from motor vehicles continue to make up a very large portion of all air pollution. Congress has established a program of improvement and regulation of fuels to protect our air quality from unnecessary pollution associated with the misfueling of vehicles.

EPA regulations require that gasoline distributed for use in a RFG covered areas must meet the standards specified for RFG. As you reported, the twenty-five thousand barrels of gasoline that Crown shipped to the Colonial Pipeline on June 19, 1999 failed to meet the maximum 1.3 volume percent benzene content standard specified in 40 CFR § 80.41. As a refiner who owns, leases, operates or controls the facilities where the violation was found, Crown is liable for violating 40 C.F.R. § 80.78(a)(1) pursuant to 40 C.F.R. § 80.79(a).

Sections 211 and 205 of the Act, 42 U.S.C. §§ 7545 and 7524, authorize EPA to assess a civil penalty of up to \$27,500 per day for each such violation plus the economic benefit or savings resulting from the violation. In determining the appropriate penalty for violations such as this, we consider the gravity of the violations, the economic benefit or savings (if any) resulting from the violations, the size of your business, your history of compliance with the Act, actions taken by you to remedy the violations and prevent future violations, the effect of the penalty on your ability to continue in business and other matters as justice may require. Based on these factors, we propose a civil penalty of \$95,800 for the violation alleged in this Notice.

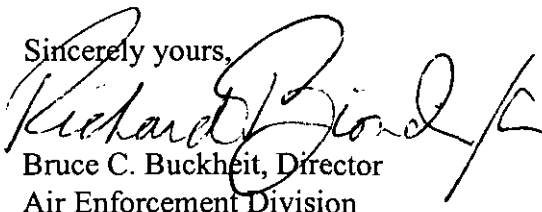
We encourage early settlement of matters such as this. The settlement process provides substantial flexibility for reducing the proposed penalty, particularly if the alleged violation is corrected promptly. If we cannot settle this matter promptly, we reserve the right to file an administrative complaint or refer this matter to the United States Department of Justice with a recommendation to file a civil complaint in federal district court.

Please contact the EPA attorney designated below regarding this Notice:

Jocelyn L. Adair, Attorney
U.S. Environmental Protection Agency
Mobile Sources Enforcement Branch (2242-A)
401 M Street, S.W.
Washington, D.C. 20460
Phone number: (202) 564-1011

Let me once again emphasize that while we take our obligation to enforce these requirements seriously, we will make every effort to reach an equitable settlement in this matter.

Sincerely yours,



Bruce C. Buckheit, Director
Air Enforcement Division